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Dirk Kempthorne, Governor Toni Hardesty, Director

December 13, 2004

- «FirstName» «LastName»
- «Company»
- «Address1»
- «City», «State» «PostalCode»

RE: Announcement and Request for Proposals—2006 Funding Cycle—Section 319/NPS Subgrant – «Project»

Dear «Title» «LastName»:

The Idaho Department of Environmental Quality (DEQ) would like to announce the Nonpoint Source Management §319 grants funding cycle for 2006. Following up on requests for pre-applications, the DEQ is requesting proposals as a second-step of the competitive grant process for watershed and aquifer implementation activities. In order to facilitate the announcement and request, please distribute this within your agency or organization as appropriate.

Project Eligibility

All grant application submittals must be consistent with the 1999 <u>Idaho Nonpoint Source Management Plan</u>, as well as statewide and regional priorities for the restoration and maintenance of beneficial uses. Additionally, all project applications are expected to be implemented by dedicated staff, committed toward long-term solutions, and to avoid high cost capital improvements without demonstrating benefit to improving or restoring water quality. To qualify, a project application must be able to track and report on the stated constituents of concern and ensure that the project outcome will be fully maintained for at least a ten (10) year period after the project is completed.

All application materials are available on-line through the Revised DEQ homepage under Water Programs, Nonpoint Source Management Program. The grant process takes generally a full-year plus to complete prior to an award to recipients. The Nonpoint Source Management §319 subgrants evaluation process consists of the following five (5) steps.

- (1) Request for Pre-applications completion and submittal;
- (2) Request for Proposals: Completion of the formal grant application and technical reviews conducted by state designated agency staff members;
- (3) Sponsor presentations and ranking by Basin Advisory Groups (BAGs);
- (4) Statewide project ranking and selection conducted jointly by the BAG Chairman and the IDEQ Surface Water Quality Program, for presentation to the DEQ Director; and

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(5) Selected proposals sent to U.S. Environmental Protection Agency (EPA), Region 10 for review and approval.

Idaho's five priorities for the 2006 funding cycle are outlined here to assist in targeting project grant applications. These priority areas reflect where the State of Idaho has urgent needs, and the outcomes are either transferable or have lasting value based on public expenditure.

- I. Fulfills goals and objectives for one of seven sectors in the 1999 <u>Idaho Nonpoint Source</u> Management Plan, which is also available on-line (see Chapter 1):
 - Agriculture—Eligible for grant funding except those activities covered by a draft or final NPDES permit and consistent with the 2002 <u>Idaho Agriculture Pollution Abatement Plan.</u>
 - Urban Stormwater Runoff—Eligible for grant funding except instances covered by a draft or final NPDES permit.
 - Transportation—Eligible for grant funding except instances covered by a draft or final NPDES permit.
 - Silviculture—Silvicultural or forestry related activities are eligible for grant funding.
 - Mining—Eligible for grant funding except those activities covered by a draft or final NPDES permit.
 - Ground Water Activities—Eligible for grant funding to the extent identified by the State's nonpoint source management program.
 - Hydro-habitat Mod—Hydrologic and habitat modification and related activities including wetland reconstruction are eligible for grants funding.
- II. Implement approved Total Maximum Daily Loads (TMDLs), TMDL implementation plans, or water quality management plans.
- III. Address anti-degradation of a water body.
- IV. Promote comprehensive or conjunctive management of ground water quality with particular emphasis on nitrate priority areas.
- V. Demonstrate innovative structural or nonstructural practices.

Use Project Application Guidance

The DEQ Water Quality Division provides for an effective administration of Clean Water Act §319 State Nonpoint Source Grants. The Nonpoint Source Management Program is an entry point to apply for funding that will implement projects and activities to improve surface water or protect ground water quality. Successfully funded nonpoint source projects should implement on the ground practices and restoration activities that are related to total maximum daily loads, certified drinking water protection plans, groundwater management plans, or equivalencies.

Grant applications for the 2006 funding cycle must use the 2005 Project Application Reference Guide, which was prepared in response to the 2004 Nonpoint Source Program and Grants Guidance for States and Territories published by the EPA. The EPA guidelines explicitly state that 319 projects should emerge from watershed-based plans. Watershed-based plans are defined as being comprehensive enough to support the reporting of nonpoint source load allocations identified in nonpoint-source focused TMDLs. The 2005 Project Application Reference Guide contains an outline of a grant application that will contain fourteen elements. These 14 elements comply with the 2004 EPA guidelines that support implementation of watershed-based plans, ground water protection activities, and drinking water protection.

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The applicant should focus on the submittal requirements under each element and use the framework organization as a Word file template for preparing a project application. In turn, the checklist also serves as the evaluation guidance for all project applications. Ultimately, the *1999* Idaho Nonpoint Source Management Plan provides further background, explanations, and resources. All elements must be achieved in order to qualify for the next step in evaluation by the Basin Advisory Group. The 2005 Project Application Reference Guide is available at:

http://www.deq.idaho.gov/water/data_reports/surface_water/nps/application_refguide_05.pdf. Request for hardcopies of the guidance, which will be mailed upon request can also be made by contacting Barbara Mallard at (208) 373-0502.

Funding Target and Timeframe

For the 2006 funding cycle approximately \$2,400,000 is expected to be made available. The amount of grant assistance averaged over the last seven years is about \$100,000, but can range from \$2,500 to a maximum assistance of \$250,000 per grant application. The maximum assistance level should not exceed \$250,000 per applicant or sponsor.

Completed project applications must be received by **February 7, 2005.** All regional application submittals are expected to have been presented to the local Watershed Advisory Groups (WAGs) prior to presenting to the respective Basin Advisory Group (BAG). Enclose an electronic file of your project's work plan on either floppy disk or CD and enclose with the three hardcopies of the submittal.

Tracking and Reporting Requirements

Include the following additional information within a cover letter:

- a. The name of the project or sub-projects (be as brief as possible but include the name of the water body involved). Project names like Kinsey Corral or Lakeshore Drive doesn't tell us enough. Lakeshore Drive/Cascade Reservoir would be more helpful.
- b. The latitude and longitude (expressed in decimal) of the project. If there are numerous sub-project areas within the overall project we need the latitude/longitude for each of them. If you do not have Lat/Longs for your project(s), one easy method is to go on-line at www.topozone.com and locate your project using the "view maps" free service.
- c. Estimated load reductions for each pollutant that the project lists. The preference is to use real monitoring data to make an estimate. If monitoring data is not available use a statistical predictive model. Contact Jerry West at (208) 373-0502 or email: jwest@deq.idaho.gov.

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The Nonpoint Source Management Program has an obligation to track and report subgrant activities to better account for cost and broadly share the benefits among all stakeholders throughout the state. Tracking and reporting requirements of subgrant recipients include:

- 1. Semi-annual progress reports are due every six months in April and October during the life of the project.
- 2. Each project will be required to submit annually an estimated nonpoint source load reduction resulting from the given project along with the second semi-annual report. There would be an expectation to have additional load reduction results submitted annually thereafter.

If you have any questions, please contact Todd Maguire at (208) 373-0115 or tmaguire@deq.idaho.gov.

Sincerely,

Barry N. Burnell Administrator

Water Quality Division

Barry M. Burnell

BNB:TM:bmm

c: Phillip Bandy

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